

*Bill No 0-83-09-39 (as amended)*

AMENDED SPECIAL ORDINANCE NO. S-209-83

AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$1,000,000 AGGREGATE PRINCIPAL AMOUNT OF ECONOMIC DEVELOPMENT REVENUE BONDS (KEKIONGA DEVELOPMENT CORPORATION PROJECT) OF THE CITY OF FORT WAYNE, INDIANA, THE PROCEEDS OF WHICH SHALL BE LOANED TO KEKIONGA DEVELOPMENT CORPORATION TO ASSIST IN THE FINANCING OF AN ECONOMIC DEVELOPMENT FACILITY; PROVIDING FOR THE PLEDGE OF REVENUES FOR THE PAYMENT OF SUCH BONDS; AUTHORIZING A LOAN AGREEMENT, TRUST INDENTURE, AND ASSIGNMENTS APPROPRIATE FOR THE PROTECTION AND DISPOSITION OF SUCH REVENUES AND TO FURTHER SECURE SUCH BONDS; AUTHORIZING A GUARANTY OF THE OBLIGATION OF KEKIONGA DEVELOPMENT CORPORATION UNDER A CREDIT AGREEMENT WITH ANTHONY WAYNE BANK AND PROVIDING FOR THE APPROPRIATION OF FUNDS TO SECURE SUCH GUARANTY; AND AUTHORIZING OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS.

WHEREAS, the City of Fort Wayne, Indiana (the "Issuer"), is a municipal corporation and political subdivision in and of the State of Indiana, and by virtue of the laws of the State of Indiana, including Indiana Code, Title 36, Article 7, Chapter 12, is authorized and empowered among other things (a) to make a loan for the acquisition, renovation and installation of an economic development facility within the boundaries of the Issuer, (b) to issue and sell its revenue bonds to provide moneys for such loan, and (c) to enact this Bond Legislation and execute and deliver the assignments and agreements hereinafter identified; and

WHEREAS, this Common Council has determined and does hereby confirm that the acquisition, renovation and installation of the Project, as hereinafter defined, will promote the welfare of the people of the Issuer, create or preserve jobs and employment opportunities, and assist in the development of economic, manufacturing and industrial activities to the benefit of the people of the Issuer, and that the Issuer, by assisting with the financing of the Project through the issuance of revenue bonds in the aggregate principal amount of \$1,000,000, will be acting in a manner consistent with and in furtherance of the provisions of Indiana Code, Title 36, Article 7, Chapter 12;

BE IT ORDAINED by the Common Council of the City of Fort Wayne, Indiana:

Section 1. Definitions. In addition to the words and terms defined in the recitals and elsewhere in this Bond Legislation and in the Indenture, the words and terms defined in this Section shall have the meanings herein specified unless the context or use clearly indicates another or different meaning or intent. Those words and terms not expressly defined herein and used herein with initial capitalization where rules of grammar do not otherwise require capitalization shall have the meanings assigned to them in the Agreement, as hereinafter defined.

"ACQUISITION FUND" means the fund created by Section 7 hereof.

"ACT" means Indiana Code, Title 36, Article 7, Chapter 12 and amendments and supplements thereto such as are hereunder adopted.

"AGREEMENT" or "LOAN AGREEMENT" means the Loan Agreement dated as of October 1, 1983 between the Issuer and the Company, and any permitted amendments or supplements thereto.

"BANK" means Anthony Wayne Bank, or any successor or assignee, which bank is the issuer of the Letter of Credit.

"BONDS" means the Bonds authorized in Section 3 hereof, including any Bond issued in exchange therefor as provided in the Indenture.

"BOND FUND" means the Bond principal, premium and interest fund created by Section 8 hereof.

"BONDHOLDER" or "HOLDER" means, initially, the Underwriter, and any subsequent person in whose name a registered Bond is registered; provided that, solely as used in the definitions of "Determination of Taxability" and "Event of Taxability", the term "Bondholder" also includes the owner of an undivided participation interest in any Bond.

"BOND LEGISLATION" means this ordinance.

"BOND SERVICE CHARGES" for any time period means the principal, including any amortization or redemption requirements, interest, and redemption premium, if any, required to be paid by the Issuer on the Bonds for such time period. Any "late charge" and any payment required to be made on the Bonds with interest at the Interest Rate for Advances shall also constitute a Bond Service Charge.

"CODE" means the Internal Revenue Code of 1954, as amended, and regulations promulgated thereunder.

"COMPANY" means Kekionga Development Corporation, an Indiana not-for-profit corporation, and its successors and assigns, including any surviving, resulting or transferee entity as provided in Section 5.14 of the Agreement.

"COMPLETION DATE" means the date of completion of the acquisition, installation and renovation of the Project as that date shall be certified as provided in Section 3.5 of the Agreement.

"DETERMINATION OF TAXABILITY" means (i) the filing by the Company or any other person or entity of any statement, supplemental statement or other tax schedule, return or document (whether pursuant to Treasury Regulations §1.103-10(b)(2)(vi)(c) or otherwise) which discloses that an Event of Taxability has occurred, or (ii) the final assertion by the Internal Revenue Service or any agent thereof to the effect that interest on the Bonds is includable in the gross income for federal income tax purposes of any Holder (other than a Holder who is a "substantial user" of the Project or a "related person", as those terms are used in Section 103 of the Code) or (iii) the final adoption of legislation or regulations or a final determination, decision, decree or ruling of any judicial or administrative authority which has the effect of requiring interest on the Bonds to be included in the gross income for Federal income tax purposes of any Holder (other than a Holder who is a "substantial user" of the Project or a "related person", as those terms are used in Section 103 of the Code). For purposes of clause (iii) in the preceding sentence, a decision, decree or ruling by any judicial or administrative authority shall be considered final upon the expiration or waiver of all periods for judicial review or appeal, as the case may be.

"ELIGIBLE INVESTMENTS" means (i) any bonds or other direct obligations of the United States of America; (ii) obligations of the Federal National Mortgage Association or the Government National Mortgage Association; (iii) obligations of the Federal Intermediate Credit Banks; (iv) obligations of Federal Banks for Cooperatives; (v) obligations of Federal Land Banks; (vi) obligations of the Federal

Financing Bank; (vii) bank repurchase agreements issued by a Federal Reserve member bank, including the Trustee, fully secured by obligations of any of the kinds specified in clauses (i) through (vi) above; (viii) time deposits, certificates of deposit, documented discount notes secured by stand-by letters of credit, bank reverse repurchase agreements or bankers acceptances of banks or trust companies, including the Trustee, organized under the laws of the United States of America or any state thereof, which have combined capital and earned and unearned surplus of at least \$25,000,000 in dollars of the United States of America; (ix) commercial paper or finance company paper which is rated not less than prime-one or A-1 or their equivalents by Moody's Investors Service, Inc., or Standard & Poor's Corporation, respectively, or their successors, or both, if rated by both; or (x) obligations, of any state of the United States of America or of any political subdivision or other instrumentality of any such state, which are rated at least "A" or its equivalent by either Moody's Investors Service, Inc., or Standard & Poor's Corporation, or their successors, or both, if rated by both.

"EVENT OF TAXABILITY" means the occurrence of circumstances which a Determination of Taxability shall have found to have occurred, or which shall constitute a Determination of Taxability, and which results in the interest payable on the Bond becoming includable in the gross income for Federal income tax purposes of any Bondholder (other than a Bondholder who is a "substantial user" of the Project or a "related person" as those terms are used in Section 103 of the Code), such occurrence of circumstances relating to a specific point in time. Without limiting the generality of the foregoing, the incurring of capital expenditures in excess of those permitted under Section 103(b)(6)(D) of the Code, thereby causing any interest payable on the Bond to be includable in the gross income of any Bondholder under the Code, shall constitute an Event of Taxability.

"EXECUTIVE" means the Mayor of the Issuer.

"FINAL MATURITY DATE" means October 1, 2013.

"FISCAL OFFICER" means the City Clerk of the Issuer.

"GUARANTY" means the Guaranty dated as of October 1, 1983 between the City of Fort Wayne, by and through the City of Fort Wayne, Indiana Light and Power Utility Fund, as Guarantor, and the Bank.

"INDENTURE" means the Trust Indenture dated as of October 1, 1983, between the Issuer and the Trustee, including this Bond Legislation as a part thereof, and any permitted amendments or supplements thereto.

"INTEREST PAYMENT DATE" means the first day of each April and October commencing April 1, 1984, and continuing semi-annually thereafter.

"INTEREST RATE FOR ADVANCES" means the annual rate of interest which is equal to the prime rate of the Bank, as determined from time to time, plus two percent (2%); provided that in no event shall the Interest Rate for Advances exceed the rate permitted by law.

"ISSUING AUTHORITY" means the Common Council of the Issuer.

"LEASE" means the Lease dated as of October 1, 1983, between Company and Micro Standard Technologies, Inc., an Ohio corporation.

"LEGAL OFFICER" means either the City Attorney of the Issuer or the Council to the Economic Development Commission.

"LESSEE" means Micro Standard Technologies, Inc., an Ohio corporation, and any successor corporation under the Lease.

"LETTER OF CREDIT" means the Irrevocable Letter of Credit of the Bank, No. \_\_\_\_\_, issued to the Trustee on the date of the issuance and delivery of the Bonds, in the maximum aggregate amount of \$1,080,104.17, including any amendments thereto or supplements thereof permitted pursuant thereto.

"NOTE" means the Promissory Note, in the form attached as Exhibit C to the Loan Agreement, issued by the Company to the Issuer concurrent with the delivery of the Loan Agreement.

"NOTE PAYMENTS" means any and all payments of principal of and interest, and prepayment premiums or Additional Payments, if any, on the Note.

"ORIGINAL PRINCIPAL SUM" means \$1,000,000, the aggregate original face amount of the Bonds.

"OUTSTANDING BOND" or "BOND OUTSTANDING" or "OUTSTANDING" as applied to the Bonds, means, as of any date, any Bond which has been authenticated and delivered, or is then being delivered, by the Trustee under the Indenture except:

(a) Any Bond surrendered and replaced upon exchange or transfer, or cancelled because of payment or redemption, at or prior to such date;

(b) Any Bond for the payment, redemption or purchase for cancellation of which sufficient moneys have been deposited prior to such date with the Trustee (whether upon or prior to the Final Maturity Date or the redemption date of any such Bond), or which is deemed to have been paid and discharged pursuant to the provisions of Section 8.02 of the Indenture; provided that if such Bond is to be redeemed prior to the Final Maturity Date, notice of such redemption shall have been given or arrangements satisfactory to the Trustee shall have been made therefor, or waiver of such notice satisfactory in form to the Trustee shall have been filed with the Trustee; and

(c) Any Bond in lieu of which another has been authenticated (or payment, when due, of which is made without replacement) under Section 2.04 of the Indenture:

and also except that

(d) For the purpose of determining whether the holders of the requisite principal amount of Bonds have made or concurred in any notice, request, demand, direction, consent, approval, order, waiver, acceptance, appointment or other instrument or communication under or pursuant to this Indenture, Bonds owned by or for the account of the Company or any person owned, controlled by, under common control with or controlling the Company shall be disregarded and deemed to be not outstanding. The term "control" (including the terms "controlling", "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise. Beneficial ownership of 5% or more of a class of securities having general voting power to elect a majority of the board of directors of a corporation shall be conclusive evidence of control of such corporation.

"PAYMENT IN FULL OF THE BONDS" means the first date when the Bonds are no longer deemed to be outstanding pursuant to Section 8.02 of the Indenture.

"PERSON" means natural persons, firms, associations, corporations and public bodies.

"PLEDGED RECEIPTS" means (a) the Note Payments, (b) subject to the provisions of Sections 3.04, 4.02 and 8.02 of the Indenture with respect to the Trustee holding moneys for the benefit of any Bondholder, all other moneys received by the Issuer, or the Trustee for the account of the Issuer, in respect of the Agreement or the Project, except certain expense, reimbursement and indemnity payments which are, pursuant to the provisions of the Agreement, to be made by the Company directly to the Issuer or the Trustee, (c) any moneys on deposit in the Acquisition Fund or the Bond Fund and (d) the income and profit from the investment of any moneys while held in the Acquisition Fund or the Bond Fund.

"PROJECT" means the Project Site and the real, personal, or real and personal property, including undivided interests or other interests therein, identified in Exhibit A to the Agreement, or acquired, renovated or installed as a replacement or substitution therefor or an addition thereto, or as may result from a revision of the plans and specifications therefor in accordance with the provisions of the Loan Agreement.

"PROJECT SITE" means the real estate and interests in real estate constituting the site of and part of the Project, as described in Exhibit B to the Agreement.

"STATE" means the State of Indiana.

"TAXABLE RATE OF INTEREST" means the Interest Rate for Advances.

"TRUSTEE" means the Trustee at the time acting as such under the Indenture, originally Anthony Wayne Bank, Fort Wayne, Indiana, as Trustee, and any successor Trustee as determined or designated under or pursuant to the Indenture.

"UNDERWRITER" means Headford & Company, Incorporated, Fort Wayne, Indiana.

Any reference herein to the Issuer, the Issuing Authority, or to any officer or official thereof, shall include those succeeding to their respective functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing such functions. Any reference herein to any other person or entity shall include his or its respective successors and assigns. Any reference to a section or provision of the Code, the Act or to a section, provision or chapter of the Indiana Code shall include such section or provision or chapter as from time to time amended, modified, revised, supplemented, or superseded; provided, however, that no such change shall alter the obligation to pay the Bond Service Charges in the amounts and manner, at the times, and from the sources provided in this Bond Legislation and the Indenture, except as otherwise herein permitted, or shall be deemed applicable by reason of this provision if such change would in any way constitute an impairment of the rights of the Issuer or the Company under the Agreement.

Unless the context shall otherwise indicate, words importing the singular number shall include the plural number, and vice versa, any pronoun shall be deemed to cover all genders, and the terms "herein", "hereof", "hereby", "hereunder", and similar terms, mean this Bond Legislation and the Indenture and not solely the portion hereof in which any such word is used.

Section 2. Determination of Issuing Authority. Pursuant to the Act, the Issuing Authority hereby finds and determines that the Project is an "economic development facility" as defined in the Act and that all actions required under the Act to be taken by the Issuer prior to the issuance of the Bonds have been duly authorized and completed.

Section 3. Authorization of Bonds. It is hereby determined to be necessary to, and the Issuer shall, issue, sell and deliver, as provided herein and pursuant to the authority of the Act, the Bonds in the aggregate principal amount of \$1,000,000 for the purpose of financing costs of acquiring, renovating and installing the Project, including costs incidental thereto and of the financing thereof, all in accordance with the provisions of the Loan Agreement. The Bonds shall be designated "Economic Development Revenue Bonds (Kekionga Development Corporation Project)".

Section 4. Terms of Bonds. The Bonds shall be issued in fully registered form, shall be numbered from R-1 upwards, and shall be in substantially the forms set forth therefor in the Indenture.

Bonds shall be in the denominations of \$5,000 and any multiple thereof, and shall be of a single maturity of the same series; provided that the Fiscal Officer with the approval of the Trustee may authorize issuance of one or more Bonds representing more than one maturity of the same series with appropriate changes in the form of such a Bond to cover more than one maturity, such approval and authorization to be evidenced as provided in the Indenture.

Each Bond shall be dated as of the date of its delivery or exchange; provided that if at the time of authentication of any Bond interest is in default thereon, such Bond shall be dated as of the date to which interest has been paid, and that if Bonds are initially delivered to the Underwriter (or any of them), such Bonds shall be dated as of October 1, 1983.

The Bonds being initially delivered to the Underwriter shall be two hundred (200) fully registered Bonds numbered R-1 upwards, shall be in the denominations of \$5,000 and shall bear interest (calculated on the basis of a 360-day year, 30-day month) at a rate of nine and one-quarter percent (9 $\frac{1}{4}$ %) per annum. Interest only shall be payable in semi-annual installments commencing on April 1, 1984, and on the 1st day of each October and April thereafter, to and including October 1, 1993. The entire principal amount of each Bond shall, at the option of the registered holder thereof, be due and payable on October 1, 1993, if such registered holder shall not elect to retain such Bond subject to the provisions regarding renegotiation as hereinafter set forth, except as the provisions hereinafter set forth with respect to redemption prior to maturity may become applicable hereto. Upon any transfer and surrender of any Bond in accordance with the provisions of the Indenture, the Issuer shall execute and deliver a new Bond or Bonds in exchange therefor as provided in the Indenture.

The Bonds are subject to optional redemption, in whole or in part, prior to maturity by the Issuer at the direction of the Company at any time, in the event of exercise by the Company of its option to prepay the Note in full or in part as provided by Section 6.1(a) of the Loan Agreement in the inverse order of their maturities (less than all of the Bonds of a single maturity to be selected by lot in such manner as may be designated by the Trustee) at the times and at the redemption prices (expressed as a percentage of the principal amount of the Bonds being redeemed) plus accrued interest to the redemption date as set forth below:

October 1, 1983 to September 30, 1984	104%
October 1, 1984 to September 30, 1985	104%
October 1, 1985 to September 30, 1986	104%
October 1, 1986 to September 30, 1987	103 $\frac{1}{2}$ %
October 1, 1987 to September 30, 1988	103%
October 1, 1988 to September 30, 1989	102 $\frac{1}{2}$ %
October 1, 1989 to September 30, 1990	102%
October 1, 1990 to September 30, 1991	101 $\frac{1}{2}$ %
October 1, 1991 to September 30, 1992	101%
October 1, 1992 to September 30, 1993	100 $\frac{1}{2}$ %
October 1, 1993 and thereafter	100%

The Bonds are also subject to optional redemption, in whole or in part, by lot, in the event of the exercise by the Company of its options to prepay the Note in whole or in part as provided by Section 6.1(b) of the Loan Agreement, at a redemption price of 100% of the principal balance of the Bonds to be redeemed on the date of redemption, plus accrued interest to the redemption date. The redemption date in any such event shall be the date set by the Company for prepayment of the Note in accordance with the provisions of such Section 6.1.

The Bonds shall also be callable for redemption in whole or in part, upon occurrence of any of the circumstances which operate to require prepayment of the Note in whole or in part by the Company in accordance with the provisions of Section 6.2 of the Loan Agreement. The redemption date in any of such events shall be the date set by the Company, (or in default thereof, by the Trustee) for the prepayment of the Note in whole or in part in accordance with the provisions of the Loan Agreement. The redemption price in any of such events shall be 100% of the principal balance of the Bonds to be redeemed on the date of redemption, plus accrued interest to the redemption date; provided that upon any call for redemption of the Bonds due to a Determination of Taxability, the redemption price shall be 103% of the principal amount of Bonds being redeemed plus accrued interest to the redemption date, and that upon any call for redemption of the Bonds due to the exercise by the Lessee of its option under the Lease to purchase the Project, the redemption price shall be the same as the redemption price in the event of the exercise by the Company of its option to prepay the Note in full or in part as provided by Section 6.1(a) of the Loan Agreement.

Notice from the Company to the Trustee that the Note is to be prepaid in whole or in part pursuant to the Agreement shall constitute the direction of the Issuer to the Trustee to call some or all, as the case may be, of the then outstanding Bonds, and no separate notice from the Issuer to the Trustee shall be required.

When less than the entire unmatured portion of the Bonds shall be called for redemption at any time or from time to time, the selection of such Bonds or portions of fully registered Bonds to be called shall be made by lot by the Trustee in such manner as the Trustee may determine.

Notice of the call for any redemption of Bonds, identifying by designation, letters, numbers, or other distinguishing marks, the Bonds (in amounts of \$5,000 or any multiple thereof) or portions of Bonds to be redeemed, the redemption price to be paid, the date fixed for redemption and the place or places where the amounts due upon such redemption are payable, shall be given by the Trustee on behalf of the Issuer by mailing a copy of the redemption notice by registered or certified mail at least thirty days prior to the date fixed for redemption to the holder or holders thereof at the address shown on the registration books kept by the Trustee; provided, however, that failure to give such notice to any Bondholder by mailing, or any defects in such notice to any Bondholder, shall not affect the validity of the proceedings for the redemption of any of the other Bonds. The holder or holders of Bonds may waive any notice of redemption in writing, and in such event, no notice of any kind need be given with respect to the Bonds of such holder or holders to be so redeemed.

The Company and the Trustee, on behalf of the Bondholders, and with the consent of the Executive and Fiscal Officer, shall, more than seventy (70) but not more than one hundred (100) days prior to October 1, 1993, negotiate new terms and conditions relative to interest rate, maturities, principal payment requirements, prepayment penalties, redemption provisions and collateral and other security requirements for the Bonds; provided, however, that any interest rate so negotiated shall not exceed 120% of the immediately preceding twelve week's average yield for twenty (20) year constant maturity U.S. Government Bonds as published by the Federal Reserve System in the Federal Reserve Statistical Release Weekly Summary of Banking and Credit Measures

- H.9(5II) or, if that report is not then published, in the most nearly similar report indicating the rate of such bonds which is mutually agreeable to Company and Trustee, and any maturities so negotiated shall not exceed twenty (20) years. The Trustee shall then inform the Bondholders of such new terms and conditions by mailing a copy of such new terms and conditions by first class mail no later than sixty (60) days prior to the October 1, 1993 interest payment date to the registered owner of each Bond then outstanding at the address shown on the registration books kept by the Trustee.

If any holder desires to retain its Bond or Bonds subject to the new terms and conditions so negotiated by the Company and the Trustee, such Holder must notify the Trustee in writing of such intention by registered or certified mail at least thirty (30) days prior to October 1, 1993. Upon receipt by the Trustee of such notification by a holder, the Trustee shall issue a certificate to such holder, which certificate shall bear the Number or Numbers of the Bonds held by such holder, and which shall supplement and amend such Bonds in accordance with the new terms and conditions so negotiated.

All Bond Service Charges shall be payable by check or draft drawn upon the Trustee and mailed or delivered to the Bondholder at its address as shown on the Bond registration books to be kept by the Trustee; provided however that the final Bond Service Charges shall be payable at the corporate trust office of the Trustee upon presentation and surrender of the Bond at such office. All payments of Bond Service Charges shall be made in lawful money of the United States of America, without deduction for services as paying agent. In addition, upon acceleration of the Bond, the amounts payable upon such acceleration, together with interest thereon at the Interest Rate for Advances from the date of acceleration, shall continue as an obligation of the Issuer until paid. All payments from the Issuer referred to herein shall be payable solely from the Pledged Receipts.

All Bonds shall bear such designation as may be necessary to distinguish them from Bonds of any other series.

If Bonds or portions thereof are duly called for redemption and if on such redemption date moneys for the redemption of all the Bonds to be redeemed, together with accrued interest to the redemption date, shall be held by the Trustee so as to be available therefor, then from and after such redemption date such Bonds or portions thereof shall cease to bear interest.

The Bonds shall be executed on behalf of the Issuer by the Executive and by the Fiscal Officer, provided that any or all of such signatures may be facsimiles, and the seal of the Issuer shall be impressed thereon or a facsimile of such seal placed thereon. In case any officer whose signature or a facsimile thereof shall appear on any Bond, shall cease to be such officer before the issuance, authentication or delivery of the Bond, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until after that time.

**Section 5. Security for the Bonds.** As provided herein, the Bonds shall be payable solely from the Bond Fund and the Pledged Receipts and secured by a pledge of and lien on the Pledged Receipts and the Bond Fund, and shall be further secured by an assignment of the Lease and by the Indenture. In addition, from the date of issuance of the Bonds to and including January 15, 1994, the Bonds will be further secured by the Letter of Credit in the maximum amount of \$1,080,104.17, representing the full principal amount of the Bonds, six and one-half months' interest thereon, plus a maximum premium of 3% of the principal amount thereof. Neither the Bond Legislation, the Bonds, the Indenture, nor the Loan Agreement shall represent or constitute a debt or pledge of the faith and credit or the taxing power of the Issuer, and each Bond shall contain on the face thereof a statement to that effect.

Section 6. Sale of Bonds. The Bonds are hereby sold and awarded to the Underwriter, in accordance with its offer therefor at a net purchase price of 94% of the principal amount of the Bonds to be purchased by it, aggregating \$940,000, plus accrued interest from the date of the Bonds. The Executive and the Fiscal Officer are authorized and directed to make on behalf of the Issuer the necessary arrangements with the Underwriter to establish the date, location, procedure and conditions for the delivery of the Bonds to such Underwriter, and to take all steps necessary to effect due execution, authentication and delivery to the Underwriter of the Bonds purchased by it under the terms of this Bond Legislation and the Indenture. It is hereby determined that the price for and the terms of the Bonds, and the sale thereof, all as provided in this Bond Legislation, are in the best interest of the Issuer and consistent with all legal requirements.

Section 7. Allocation of Proceeds of Bond - Acquisition Fund. There is hereby created by the Issuer and ordered maintained, as a separate deposit account (except when invested as hereinafter provided) in the custody of the Trustee, a trust fund in the name of the Issuer to be designated "City of Fort Wayne - Kekionga Development Corporation Acquisition Fund". All of the sums from the sale of the Bonds, except accrued interest on the Bonds, shall be deposited in the Acquisition Fund and disbursed by the Trustee in accordance with the Loan Agreement. The Trustee is authorized and directed to issue its check for each such disbursement. The moneys to the credit of the Acquisition Fund (including the proceeds from the sale of investments thereof) shall, pending applications thereof as above set forth, be subject to a lien and charge in favor of the Holder.

Section 8. Source of Payment - Bond Fund. As provided in the Agreement, Note Payments, sufficient in time and amount to pay the Bond Service Charges as they come due, are to be paid by the Company directly to the Trustee for the account of the Issuer and deposited in the Bond Fund.

There is hereby created by the Issuer and ordered maintained, as a separate deposit account (except when invested as hereinafter provided) in the custody of the Trustee, a trust fund to be designated "City of Fort Wayne - Kekionga Development Corporation Bond Fund". The Bond Fund and the moneys therein are hereby pledged to and shall be used solely and exclusively for the payment of Bond Service Charges as they fall due at stated maturity or by amortization or redemption, all as provided herein and in the Indenture and the Agreement. Except as otherwise provided in this Bond Legislation, there shall be deposited into the Bond Fund, as and when received, all Pledged Receipts.

The Issuer covenants and agrees that, until Payment in Full of the Bonds, it will deposit or cause to be deposited in the Bond Fund Pledged Receipts sufficient in time and amount to pay the Bond Service Charges as the same become due and payable, and to this end the Issuer covenants and agrees that it will diligently and promptly proceed in good faith and use its best efforts to enforce the Agreement and that, should there be an event of default under the Agreement, the Issuer shall fully cooperate with the Trustee and with the Bondholder to fully protect the rights and security of the Bondholder hereunder. Nothing herein shall be construed as requiring the Issuer to use or apply to the payment of Bond Service Charges any funds other than the Bond Fund and the Acquisition Fund or revenues from any source other than Pledged Receipts.

The Issuer covenants and agrees, whenever the moneys and investments in the Bond Fund (or otherwise held by the Trustee for such purpose) are sufficient in amount to redeem the entire principal amount of the Bonds then outstanding and to pay interest to accrue thereon to the date or dates of such redemption, and any applicable premiums, to take and cause to be taken, upon notification by the Company or the Trustee, the necessary steps to redeem the Bonds on the next succeeding redemption date or dates for which the required notice of call for redemption may be given.

Section 9. Guaranty. It is hereby further determined to be necessary to, and the Issuer shall, by and through the City of Fort Wayne, Indiana Light and Power Utility Fund, enter into a Guaranty in favor of the Bank under the terms of which the Issuer shall set aside from said Light and Power Utility Fund (the "Fund") the sum of \$1,080,104.17, which amount shall be segregated from the balance of monies, securities and other assets of the Fund and shall be held and invested for the purpose of providing for the payment by the Company of its obligations under that certain Credit Agreement dated as of October 1, 1983 between the Bank and the Company pursuant to which the Letter of Credit is issued (the "Credit Agreement"), and under the Promissory Note of Company required under the Credit Agreement.

The Controller of the Issuer is hereby authorized and directed to segregate and set aside from the Fund the sum of \$1,080,104.17, which amount is to be held for, and dedicated to the purpose of providing for the payment of the Issuer's obligations under the aforementioned Guaranty.

The Guaranty shall be in the form of the Guaranty attached hereto as Exhibit "A", and the terms and conditions thereof are hereby specifically authorized and approved. The Controller of the Issuer is further authorized and directed, pursuant to I.C. 5-13-1-2, to invest the funds so segregated and set aside with the Bank in such investments as shall be determined by said Controller; provided, however, that such funds shall, at no time, be invested in investments yielding a rate of return which would cause the Bonds to be deemed arbitrage bonds under Section 103(c) of the Code and the applicable regulations prescribed under that section.

Section 10. Covenants of Issuer. In addition to other covenants of the Issuer in the Bond Legislation and the Indenture, the Issuer further covenants and agrees as follows:

(a) Payment of Bond Service Charges. The Issuer will, solely from the sources herein provided, pay or cause to be paid the Bond Service Charges on the Bonds on the dates, at the places and in the manner provided herein and in the Bonds.

(b) Performance of Covenants, Authority and Actions. The Issuer will at all times faithfully observe and perform all agreements, covenants, undertakings, stipulations and provisions contained in the Bond Legislation, the Agreement, the Indenture, the Bonds and the Guaranty, and required therein to be observed and performed by the Issuer. The Issuer warrants and covenants that it is, and upon delivery of the Bonds will be, duly authorized by the Constitution and laws of the State, including particularly and without limitation the Act, to issue the Bonds, to execute the Indenture, the Agreement, the assignment of the Note, and the Guaranty and to provide the security for payment of the Bond Service Charges in the manner and to the extent herein, in the Indenture set forth; that all actions on its part for the issuance of the Bonds, and the execution and delivery of the Indenture, the Agreement, the assignment of the Note and the Guaranty, have been or will be duly and effectively taken; and that the Bonds will be valid, binding and enforceable special obligations of the Issuer according to the terms thereof. Each provision of the Bond Legislation, Indenture, the Agreement, the Bonds and the Guaranty, is binding upon each such officer of the Issuer as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duties required by such provision.

(c) Pledged Receipts. Except as otherwise provided in the Bond Legislation, Indenture and Agreement, the Issuer will not make any pledge or assignment of or

create any lien or encumbrance upon the Acquisition Fund, the Bond Fund or the Pledged Receipts, other than the pledge and assignment thereof under the Bond Legislation, Indenture and Agreement.

(d) Recordings and Filings. The Issuer will cooperate in causing all necessary financing statements, amendments thereto, continuation statements and instruments of similar character relating to the pledges and assignments made by the Issuer to secure the Bonds, to be recorded or filed in such manner and in such places as and to the extent required by law in order to fully preserve and protect the security of the Holder and the rights of the Trustee under the Indenture; and in pursuance thereof the Company has covenanted to cause to be delivered to the Trustee certain opinions of counsel, all as set forth in Section 5.11 of the Agreement.

(e) Inspection of Project Books. All books and documents in the Issuer's possession relating to the Project or to the Pledged Receipts shall at all reasonable times be open to inspection by such employees, accountants or other agents of the Trustee as the Trustee may from time to time designate.

(f) Maintenance of Agreement. The Issuer shall do all things and take all actions on its part necessary to comply with the obligations, duties and responsibilities on the part of the Issuer under the Agreement, and will take all actions within its authority to maintain the Agreement in effect in accordance with the terms thereof and to enforce and protect the rights of the Issuer thereunder, including actions at law and in equity, as may be appropriate.

(g) Rights under Agreement. The Trustee, in its name or in the name of the Issuer, may, for and on behalf of the Bondholder, enforce all rights of the Issuer and all obligations of the Company under and pursuant to the Agreement, whether or not the Issuer is in default of the pursuit or enforcement of such rights and obligations.

(h) Arbitrage Provisions. The Issuer will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the Bonds are delivered to the Underwriter, so that they will not constitute arbitrage bonds under Section 103(c) of the Code and the applicable regulations prescribed under that section. The Fiscal Officer or any other officer having responsibility with respect to the issuance of the Bonds is authorized and directed, alone or in conjunction with any of the foregoing or with any other officer, employee, consultant or agent of the Issuer, or any officer of the Company, and upon receipt of satisfactory indemnities from the Company, to give an appropriate certificate on behalf of the Issuer, for inclusion in the transcript of proceedings for the Bonds, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to such Section 103(c) and regulations thereunder.

Section II. Investment of Bond Fund and Acquisition Fund Money. Moneys in the Bond Fund and the Acquisition Fund shall be invested and reinvested by the Trustee in any Eligible Investments, in accordance with and subject to any written orders, or oral orders confirmed promptly in writing, of the Authorized Company Representative with respect thereto, provided that investments of moneys in the Bond Fund shall mature or be redeemable at the option of the Trustee at the times and in the amounts necessary to provide moneys hereunder to pay Bond Service Charges as they fall due at

stated maturity or by amortization or redemption, and that each investment of moneys in the Acquisition Fund shall in any event mature or be redeemable at the option of the Trustee at such time as may be necessary to make timely payments from such Fund. Subject to any such orders with respect thereto, the Trustee may from time to time sell such investments and reinvest the proceeds therefrom in Eligible Investments maturing or redeemable as aforesaid. Any such investments may be purchased from the Trustee. The Trustee shall sell or redeem investments standing to the credit of the Bond Fund to produce sufficient moneys hereunder at the times required for the purposes of paying Bond Service Charges when due as aforesaid. An investment made from moneys credited to the Bond Fund or Acquisition Fund shall constitute part of that respective Fund and such respective Fund shall be credited with all proceeds of sale and income or loss from such investment. The Company has covenanted in the Agreement to restrict the use of the proceeds of the Bonds so that they will not constitute arbitrage bonds under the Code.

Section I2. Authorization of Agreement, Indenture, Assignment and Guaranty. In order to better secure the payment of the Bond Service Charges as the same shall become due and payable, the Executive and the Fiscal Officer are hereby authorized and directed to execute, acknowledge and deliver, on behalf of the Issuer, the Agreement, the Indenture and the Assignment of the Note, in substantially the forms submitted to this Issuing Authority, and in order to better secure the payment by the Company of its obligations to the Bank under the Credit Agreement and promissory note executed by the Company pursuant to the Credit Agreement, the Executive and the Fiscal Officer are hereby authorized and directed to execute, acknowledge and deliver, on behalf of the Issuer, the Guaranty in the form attached hereto as Exhibit "A"; all of which are hereby approved, with such changes therein not inconsistent with this Bond Legislation and not substantially adverse to the Issuer as may be permitted by the Act and approved by the Legal Officer and by the persons executing the same. The approval of such changes by the Legal Officer and such members, and that such are not substantially adverse to the Issuer, shall be conclusively evidenced by the execution of the Agreement, the Indenture, the Assignment and the Guaranty by such persons.

The Executive and Fiscal Officer are each hereby separately authorized to take any and all actions and to execute such financing statements, election statement, certificates and other instruments that may be necessary or appropriate in the opinion of the Legal Officer and bond counsel, in order to effect the issuance of the Bond and the intent of this Bond Legislation. The Fiscal Officer, or other appropriate officer of the Issuer, shall certify a true transcript of all proceedings had with respect to the issuance of the Bonds, along with such information from the records of the Issuer as is necessary to determine the regularity and validity of the issuance of the Bonds.

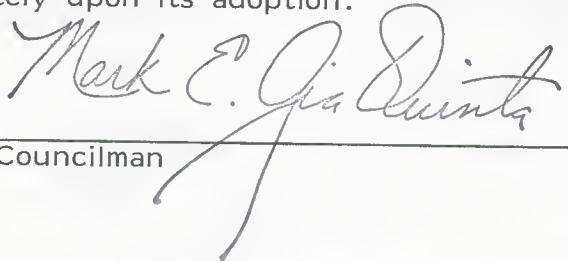
This Bond Legislation shall constitute a part of the Indenture as therein provided and for all purposes of the Indenture, including, without limitation, application to this Bond Legislation of the provisions in the Indenture relating to amendment, modification and supplementation, and provisions for severability.

Section I3. The Issuer and this Common Council, having reviewed an Agreement entitled dated as of October 1, 1983, between the Issuer and the Company (the "KDC Agreement"), a copy of which is attached hereto, made a part hereof, and marked as Exhibit "B", hereby approves the terms and conditions of the KDC Agreement and authorizes its execution by the Executive.

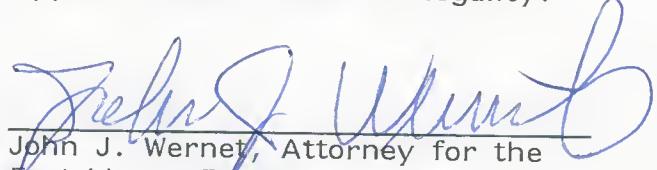
Section I4. The Issuer and this Common Council, having reviewed a Letter of Indemnification dated as of October 1, 1983, from the Issuer to the Company (the "Letter of Indemnification"), a copy of which is attached hereto, made a part hereof, and marked as Exhibit "C", hereby approves the terms and conditions of the Letter of Indemnification and authorizes its execution by the Executive.

Section 15. In the event that any clause, provision or section of this Special Ordinance, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof, made, assumed, entered into, or taken under this Special Ordinance is for any reason held to be illegal, invalid or inoperable, such illegality, invalidity, or inoperability shall not affect the remainder thereof or any other clause, provision or section or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken thereunder, which shall at the time be construed and enforced as if such illegal or invalid or inoperable portion were not contained therein.

Section 16. Effective Date. This Bond Legislation shall take effect and be in force immediately upon its adoption.

  
\_\_\_\_\_  
Councilman

Approved as to form and legality:

  
\_\_\_\_\_  
John J. Wernet, Attorney for the  
Fort Wayne Economic Development  
Commission

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 1983

LETTER OF INDEMNIFICATION

THIS LETTER OF INDEMNIFICATION is made and entered into this    day of September, 1983, by and between the City of Fort Wayne, Indiana, ("City") and the Kekionga Development Corporation ("KDC").

WITNESSETH:

WHEREAS, the KDC has executed, on even date herewith, an agreement between the parties to this Letter of Indemnification, pursuant to which the KDC will acquire from the Community Development Corporation of Fort Wayne certain real estate located at 1818 Research Drive, Fort Wayne, Indiana with funds guaranteed by City; and

WHEREAS, the agreement executed of even date herewith sets forth the KDC's repayment obligations with respect to the funds borrowed from the City; and

WHEREAS, the KDC is participating in the acquisition of the real estate in order to assist the community in securing Micro Source's production facilities in our area,

NOW THEREFORE, IT IS AGREED:

1. That with respect to monies loaned to the KDC the City understands and agrees that the KDC will not be liable for the repayment of the monies borrowed, except to the extent of any collateral that may be pledged to the KDC;
2. That the KDC's ability to repay the promissory note to Brunswick, the loans made by the City, and the principal and interest on the EDC Bond sold by KDC to acquire the real estate, is dependent upon repayment CDC of the unsecured working capital loan made to Micro Source, repayment of which loan has been assigned by City to KDC.
3. That the City shall indemnify and hold KDC harmless against any and all claims and liability arising out of KDC's purchase of the real estate, and all loans made by City pursuant to the agreement executed of even date herewith, which indemnification shall include, but not be limited to payment of all reasonable attorney fees incurred by KDC in defending such claims.

4. The KDC shall cooperate in every way possible to assist the City in collecting the monies loaned pursuant to the agreement executed of even date herewith.

CITY OF FORT WAYNE, INDIANA

BY

Winfield C. Moses, Jr., Mayor  
City of Fort Wayne, Indiana

BOARD OF WORK FOR CITY OF  
FORT WAYNE

By \_\_\_\_\_

By \_\_\_\_\_

By \_\_\_\_\_

ATTEST:

BY

Sandra Kennedy, Clerk  
City of Fort Wayne, Indiana

KEKIONGA DEVELOPMENT  
CORPORATION

BY

Karl I. Bandemer, President

AGREEMENT

THIS AGREEMENT made and entered into this \_\_\_\_ day of September, 1983, by and between the City of Fort Wayne, Indiana, ("City"), and the Kekionga Development Corporation, ("KDC").

WITNESSETH:

WHEREAS, the KDC is willing to purchase from Community Development Corporation of Fort Wayne (hereinafter referred to as "CDC"), real estate located at 1818 Research Drive, Fort Wayne, Indiana to assist in bringing Micro Source, Inc. and its manufacturing operation to Fort Wayne; and

WHEREAS, the total purchase price to be paid by CDC for said property, will be One Million Four Hundred Thousand Dollars (\$1,400,000.00), payable as follows: the sum of Five Hundred Thousand Dollars (\$500,000.00) shall be paid to Brunswick at closing and the balance of the purchase price, Nine Hundred Thousand Dollars (\$900,000.00) shall be evidenced by a promissory note and secured by a first mortgage on the real estate (the promissory note shall be amortized on a ten (10) year term at 11% interest and shall require a balloon payment at the end of five (5) years, and shall require monthly payments in the amount of \$12,398.40); and

WHEREAS, the CDC shall then sell the real estate to KDC, at the same purchase price as was paid by CDC to Brunswick; however, the purchase price shall be paid as follows: the sum of Nine Hundred Thousand Dollars (\$900,000.00) shall be paid to CDC and the balance of the purchase price shall be paid by the assumption of the final Five Hundred Thousand Dollars (\$500,000.00) owing to Brunswick by CDC; and

WHEREAS, the proceeds from the sale shall be loaned by CDC to Micro Source as an unsecured working capital loan (together with an additional One Hundred Thousand Dollars (\$100,000.00) to be secured from the City), to be repaid by Micro Source within five (5) years; and

WHEREAS, KDC shall lease the real estate to Micro Source, Inc. upon such terms as are set forth in the lease agreement, which is attached hereto and made a part hereof as Exhibit A;

WHEREAS, in order to meet Micro Source's physical requirements of the building, it will be necessary, at a minimum, to air condition the assembly area of the building, which is estimated to cost Two Hundred Thousand Dollars (\$200,000.00),

NOW, THEREFORE, IT IS AGREED:

1. KDC shall purchase the above-described real estate from CDC for One Million Four Hundred Thousand Dollars (\$1,400,000.00). The down payment shall be secured from the proceeds of the sale of an EDC Bond, in the principal amount of One Million Dollars (\$1,000,000). The City agrees that the repayment of the Bond will be guaranteed by revenues from City Light Lease Fund. The balance of the purchase price shall be paid by the subordinated assumption of the outstanding first mortgage owing to Brunswick Corporation, which assumption agreement shall be in the form set forth in Exhibit B.

2. The KDC shall contract to provide the necessary interior modifications as required by Micro Source, including but not limited to, air conditioning in the assembly area of the building. The City shall loan to KDC any and all monies needed to pay for those interior modifications required by Micro Source.

3. Because the KDC anticipates a cash flow shortage in the first five (5) year after the building is purchased, as a result of the lease terms granted Micro Source, the City agrees to loan those funds necessary to meet KDC's obligations relative to the purchase of the real estate, including, but not limited to, repayment of the Brunswick promissory note and the repayment of the principal and

interest of the EDC Bond. Further, City assigns to KDC all its right, title and interest in and to any and all monies owing to City by Community Development Corporation of Fort Wayne.

4. KDC may secure, as part of the terms of the lease agreement, some form of equity participation in Micro Source. It is agreed by KDC that any profits realized by the KDC as a result of this equity participation shall be assigned to the City for use in promoting economic development. It is understood that the City may permit KDC to retain such profits to finance additional funding programs, but such funds shall belong to the City in accordance with past funding agreements executed between the City and KDC.

5. In the event that Micro Source shall prepay the working capital loan to KDC, CDC shall pay the proceeds back to the City, or at its option, may direct CDC to retain and invest such funds until the end of the original term of the loan to Micro Source.

6. The KDC does hereby agree to sign any and all necessary documents, in the future, to carry out the terms and conditions hereof.

IN WITNESS WHEREOF, this Agreement has been signed, the date, month and year first above written.

CITY OF FORT WAYNE INDIANA

ATTEST:

BY:

Winfield C. Moses, Jr., Mayor  
City of Fort Wayne, Indiana

Sandra Kennedy, Clerk  
City of Fort Wayne, IN

KEKIONGA DEVELOPMENT CORPORATION

BY:

Karl I. Bandemer, President

BOARD OF WORKS FOR CITY OF FORT WAYNE

BY \_\_\_\_\_

BY \_\_\_\_\_

BY \_\_\_\_\_

Read the first time in full and on motion by Gia Quinta, seconded by Altier, and duly adopted, read the second time by title and referred to the Committee Finance (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne, Indiana, on 13, the 19 day of September, o'clock 10:00 A.M., E.S.T.

DATE: 9-13-83

Sandra F. Kennedy  
CITY CLERK

Read the third time in full and on motion by Gia Quinta, seconded by Altier, and duly adopted, placed on its passage. PASSED (Lose) by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>	<u>TO-WIT:</u>
<u>TOTAL VOTES</u>	<u>8</u>	<u>—</u>	<u>—</u>	<u>1</u>	<u>—</u>
<u>BRADBURY</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>BURNS</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>EISBART</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>✓</u>	<u>—</u>
<u>Gia Quinta</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>SCHMIDT</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>SCHOMBURG</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>SCRUGGS</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>STIER</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>TALARICO</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

DATE: 10-4-83

Sandra F. Kennedy  
- CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ZONING MAP) (GENERAL) (ANNEXATION) (SPECIAL) (APPROPRIATION) ORDINANCE (RESOLUTION) NO. 1-209-83 on the 4th day of October, 1983.

ATTEST:

(SEAL)

Sandra F. Kennedy  
CITY CLERK

James S. Stier  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 5th day of October, 1983, at the hour of 10:00 o'clock A.M., E.S.T.

Sandra F. Kennedy  
CITY CLERK

Approved and signed by me this 7th day of October, 1983, at the hour of 4:30 o'clock P.M., E.S.T.

Mark T  
WIN MOSES, JR. - MAYOR

Bill no. S-83-09-39.

SPECIAL ORDINANCE NO.

1-209-83.

AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$1,000,000 AGGREGATE PRINCIPAL AMOUNT OF ECONOMIC DEVELOPMENT REVENUE BONDS (KEKIONGA DEVELOPMENT CORPORATION PROJECT) OF THE CITY OF FORT WAYNE, INDIANA, THE PROCEEDS OF WHICH SHALL BE LOANED TO KEKIONGA DEVELOPMENT CORPORATION TO ASSIST IN THE FINANCING OF AN ECONOMIC DEVELOPMENT FACILITY; PROVIDING FOR THE PLEDGE OF REVENUES FOR THE PAYMENT OF SUCH BONDS; AUTHORIZING A LOAN AGREEMENT, TRUST INDENTURE, AND ASSIGNMENTS APPROPRIATE FOR THE PROTECTION AND DISPOSITION OF SUCH REVENUES AND TO FURTHER SECURE SUCH BONDS; PROVIDING FOR THE PLEDGE OF CERTAIN FUNDS TO SECURE PAYMENT OF SUCH BONDS; AUTHORIZING A GUARANTY AND PLEDGE AGREEMENT APPROPRIATE FOR THE PLEDGING OF SUCH FUNDS; AND AUTHORIZING OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS.

WHEREAS, the City of Fort Wayne, Indiana (the "Issuer"), is a municipal corporation and political subdivision in and of the State of Indiana, and by virtue of the laws of the State of Indiana, including Indiana Code, Title 36, Article 7, Chapter 12, is authorized and empowered among other things (a) to make a loan for the acquisition, renovation and installation of an economic development facility within the boundaries of the Issuer, (b) to issue and sell its revenue bonds to provide moneys for such loan, and (c) to enact this Bond Legislation and execute and deliver the assignments and agreements hereinafter identified; and

WHEREAS, this Common Council has determined and does hereby confirm that the acquisition, renovation and installation of the Project, as hereinafter defined, will promote the welfare of the people of the Issuer, create or preserve jobs and employment opportunities, and assist in the development of economic, manufacturing and industrial activities to the benefit of the people of the Issuer, and that the Issuer, by assisting with the financing of the Project through the issuance of revenue bonds in the aggregate principal amount of \$1,000,000, will be acting in a manner consistent with and in furtherance of the provisions of Indiana Code, Title 36, Article 7, Chapter 12;

BE IT ORDAINED by the Common Council of the City of Fort Wayne, Indiana:

Section 1. Definitions. In addition to the words and terms defined in the recitals and elsewhere in this Bond Legislation and in the Indenture, the words and terms defined in this Section shall have the meanings herein specified unless the context or use clearly indicates another or different meaning or intent. Those words and terms not expressly defined herein and used herein with initial capitalization where rules of grammar do not otherwise require capitalization shall have the meanings assigned to them in the Agreement, as hereinafter defined.

"ACQUISITION FUND" means the fund created by Section 7 hereof.

"ACT" means Indiana Code, Title 36, Article 7, Chapter 12 and amendments and supplements thereto such as are hereunder adopted.

"AGREEMENT" or "LOAN AGREEMENT" means the Loan Agreement dated as of September 15, 1983 between the Issuer and the Company, and any permitted amendments or supplements thereto.

"BONDS" means the Bonds authorized in Section 3 hereof, including any Bond issued in exchange therefor as provided in the Indenture; and, initially, one Fully Registered Bond, numbered R-1, in the original principal amount of \$1,000,000.

"BOND FUND" means the Bond principal, premium and interest fund created by Section 8 hereof.

"BONDHOLDER" or "HOLDER" means, initially, the Original Purchaser, and any subsequent person in whose name a registered Bond is registered; provided that, solely as used in the definitions of "Determination of Taxability" and "Event of Taxability", the term "Bondholder" also includes the owner of an undivided participation interest in any Bond.

"BOND LEGISLATION" means this ordinance.

"BOND SERVICE CHARGES" for any time period means the principal, including any amortization or redemption requirements, interest, and redemption premium, if any, required to be paid by the Issuer on the Bonds for such time period. Any "late charge" and any payment required to be made on the Bonds with interest at the Interest Rate for Advances shall also constitute a Bond Service Charge.

"CODE" means the Internal Revenue Code of 1954, as amended, and regulations promulgated thereunder.

"COMPANY" means Kekionga Development Corporation, an Indiana not-for-profit corporation, and its successors and assigns, including any surviving, resulting or transferee entity as provided in Section 5.14 of the Agreement.

"COMPLETION DATE" means the date of completion of the acquisition, installation and renovation of the Project as that date shall be certified as provided in Section 3.5 of the Agreement.

"DETERMINATION OF TAXABILITY" means (i) the filing by the Company or any other person or entity of any statement, supplemental statement or other tax schedule, return or document (whether pursuant to Treasury Regulations §1.103-10(b)(2)(vi)(c) or otherwise) which discloses that an Event of Taxability has occurred, or (ii) the final assertion by the Internal Revenue Service or any agent thereof to the effect that interest on the Bonds is includable in the gross income for federal income tax purposes of any Holder (other than a Holder who is a "substantial user" of the Project or a "related person", as those terms are used in Section 103 of the Code) or (iii) the final adoption of legislation or regulations or a final determination, decision, decree or ruling of any judicial or administrative authority which has the effect of requiring interest on the Bonds to be included in the gross income for Federal income tax purposes of any Holder (other than a Holder who is a "substantial user" of the Project or a "related person", as those terms are used in Section 103 of the Code). For purposes of clause (iii) in the preceding sentence, a decision, decree or ruling by any judicial or administrative authority shall be considered final upon the expiration or waiver of all periods for judicial review or appeal, as the case may be.

"ELIGIBLE INVESTMENTS" means (i) any bonds or other direct obligations of the United States of America; (ii) obligations of the Federal National Mortgage Association or the Government National Mortgage Association; (iii) obligations of the Federal Intermediate Credit Banks; (iv) obligations of Federal Banks for Cooperatives; (v) obligations of Federal Land Banks; (vi) obligations of the Federal Financing Bank; (vii) bank repurchase agreements issued by a Federal Reserve member bank, including the Trustee, fully secured by

obligations of any of the kinds specified in clauses (i) through (vi) above; (viii) time deposits, certificates of deposit, documented discount notes secured by stand-by letters of credit, bank reverse repurchase agreements or bankers acceptances of banks or trust companies, including the Trustee, organized under the laws of the United States of America or any state thereof, which have combined capital and earned and unearned surplus of at least \$25,000,000 in dollars of the United States of America; (ix) commercial paper or finance company paper which is rated not less than prime-one or A-1 or their equivalents by Moody's Investors Service, Inc., or Standard & Poor's Corporation, respectively, or their successors, or both, if rated by both; or (x) obligations, of any state of the United States of America or of any political subdivision or other instrumentality of any such state, which are rated at least "A" or its equivalent by either Moody's Investors Service, Inc., or Standard & Poor's Corporation, or their successors, or both, if rated by both.

"EVENT OF TAXABILITY" means the occurrence of circumstances which a Determination of Taxability shall have found to have occurred, or which shall constitute a Determination of Taxability, and which results in the interest payable on the Bond becoming includable in the gross income for Federal income tax purposes of any Bondholder (other than a Bondholder who is a "substantial user" of the Project or a "related person" as those terms are used in Section 103 of the Code), such occurrence of circumstances relating to a specific point in time. Without limiting the generality of the foregoing, the incurring of capital expenditures in excess of those permitted under Section 103(b)(6)(D) of the Code, thereby causing any interest payable on the Bond to be includable in the gross income of any Bondholder under the Code, shall constitute an Event of Taxability.

"EXECUTIVE" means the Mayor of the Issuer.

"FINAL MATURITY DATE" means \_\_\_\_\_, 19\_\_\_\_.

"FISCAL OFFICER" means the City Clerk of the Issuer.

"GUARANTY AND PLEDGE AGREEMENT" means the Limited Guaranty and Pledge Agreement dated as of September 15, 1983, between the City of Fort Wayne, by and through the City of Fort Wayne, Indiana Light and Power Utility Fund, as Guarantor, and the Trustee.

"INDENTURE" means the Trust Indenture dated as of September 15, 1983, between the Issuer and the Trustee, including this Bond Legislation as a part thereof, and any permitted amendments or supplements thereto.

"INTEREST PAYMENT DATE" means the \_\_\_\_\_ of each commencing \_\_\_\_\_, 198\_\_\_\_, and continuing thereafter.

"INTEREST RATE FOR ADVANCES" means the annual rate of interest which is equal to the prime rate of \_\_\_\_\_, as determined from time to time, plus \_\_\_\_\_ percent (\_\_\_\_%); provided that in no event shall the Interest Rate for Advances exceed the rate permitted by law.

"ISSUING AUTHORITY" means the Common Council of the Issuer.

"LEASE" means the Lease dated as of \_\_\_\_\_, 198\_\_\_\_, between Company and Micro Source, Inc., an Ohio corporation.

"LEGAL OFFICER" means either the City Attorney of the Issuer or the Council to the Economic Development Commission.

"LESSEE" means Micro Source, Inc., an Ohio corporation, and any successor corporation under the Lease.

"NOTE" means the Promissory Note, in the form attached as Exhibit C to the Loan Agreement, issued by the Company to the Issuer concurrent with the delivery of the Loan Agreement.

"NOTE PAYMENTS" means any and all payments of principal of and interest, and prepayment premiums or Additional Payments, if any, on the Note.

"ORIGINAL PRINCIPAL SUM" means \$1,000,000, the aggregate original face amount of the Bonds.

"ORIGINAL PURCHASER" means \_\_\_\_\_

"OUTSTANDING BOND" or "BOND OUTSTANDING" or "OUTSTANDING" as applied to the Bonds, means, as of any date, any Bond which has been authenticated and delivered, or is then being delivered, by the Trustee under the Indenture except:

(a) Any Bond surrendered and replaced upon exchange or transfer, or cancelled because of payment or redemption, at or prior to such date;

(b) Any Bond for the payment, redemption or purchase for cancellation of which sufficient moneys have been deposited prior to such date with the Trustee (whether upon or prior to the Final Maturity Date or the redemption date of any such Bond), or which is deemed to have been paid and discharged pursuant to the provisions of Section 8.02 of the Indenture; provided that if such Bond is to be redeemed prior to the Final Maturity Date, notice of such redemption shall have been given or arrangements satisfactory to the Trustee shall have been made therefor, or waiver of such notice satisfactory in form to the Trustee shall have been filed with the Trustee; and

(c) Any Bond in lieu of which another has been authenticated (or payment, when due, of which is made without replacement) under Section 2.04 of the Indenture:

and also except that

(d) For the purpose of determining whether the holders of the requisite principal amount of Bonds have made or concurred in any notice, request, demand, direction, consent, approval, order, waiver, acceptance, appointment or other instrument or communication under or pursuant to this Indenture, Bonds owned by or for the account of the Company or any person owned, controlled by, under common control with or controlling the Company shall be disregarded and deemed to be not outstanding. The term "control" (including the terms "controlling", "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise. Beneficial ownership of 5% or more of a class of securities having general voting power to elect a majority of the board of directors of a corporation shall be conclusive evidence of control of such corporation.

"PAYMENT IN FULL OF THE BONDS" means the first date when the Bonds are no longer deemed to be outstanding pursuant to Section 8.02 of the Indenture.

"PERSON" means natural persons, firms, associations, corporations and public bodies.

"PLEDGED RECEIPTS" means (a) the Note Payments, (b) subject to the provisions of Sections 3.04, 4.02 and 8.02 of the Indenture with respect to the Trustee holding moneys for the benefit of any Bondholder, all other moneys received by the Issuer, or the Trustee for the account of the Issuer, in respect of the Agreement or the Project, except certain expense, reimbursement and indemnity payments which are, pursuant to the provisions of the Agreement, to be made by the Company directly to the Issuer or the Trustee, (c) any moneys on deposit in the Acquisition Fund or the Bond Fund and (d) the income and profit from the investment of any moneys while held in the Acquisition Fund or the Bond Fund.

"PROJECT" means the Project Site and the real, personal, or real and personal property, including undivided interests or other interests therein, identified in Exhibit A to the Agreement, or acquired, renovated or installed as a replacement or substitution therefor or an addition thereto, or as may result from a revision of the plans and specifications therefor in accordance with the provisions of the Loan Agreement.

"PROJECT SITE" means the real estate and interests in real estate constituting the site of and part of the Project, as described in Exhibit B to the Agreement.

"STATE" means the State of Indiana.

"TAXABLE RATE OF INTEREST" means the Interest Rate for Advances.

"TRUSTEE" means the Trustee at the time acting as such under the Indenture, originally Indiana Bank and Trust Company of Fort Wayne, Fort Wayne, Indiana, as Trustee, and any successor Trustee as determined or designated under or pursuant to the Indenture.

Any reference herein to the Issuer, the Issuing Authority, or to any officer or official thereof, shall include those succeeding to their respective functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing such functions. Any reference herein to any other person or entity shall include his or its respective successors and assigns. Any reference to a section or provision of the Code, the Act or to a section, provision or chapter of the Indiana Code shall include such section or provision or chapter as from time to time amended, modified, revised, supplemented, or superseded; provided, however, that no such change shall alter the obligation to pay the Bond Service Charges in the amounts and manner, at the times, and from the sources provided in this Bond Legislation and the Indenture, except as otherwise herein permitted, or shall be deemed applicable by reason of this provision if such change would in any way constitute an impairment of the rights of the Issuer or the Company under the Agreement.

Unless the context shall otherwise indicate, words importing the singular number shall include the plural number, and vice versa, any pronoun shall be deemed to cover all genders, and the terms "herein", "hereof", "hereby", "hereunder", and similar terms, mean this Bond Legislation and the Indenture and not solely the portion hereof in which any such word is used.

**Section 2. Determination of Issuing Authority.** Pursuant to the Act, the Issuing Authority hereby finds and determines that the Project is an "economic development facility" as defined in the Act and that all actions required under the Act to be taken by the Issuer prior to the issuance of the Bonds have been duly authorized and completed.

**Section 3. Authorization of Bonds.** It is hereby determined to be necessary to, and the Issuer shall, issue, sell and deliver, as provided herein and pursuant to the authority of the Act, the Bonds in the aggregate principal amount of \$1,000,000 for the

purpose of financing costs of acquiring, renovating and installing the Project, including costs incidental thereto and of the financing thereof, all in accordance with the provisions of the Loan Agreement. The Bonds shall be designated "Economic Development Revenue Bonds (Kekionga Development Corporation Project)".

Section 4. Terms of Bonds. The Bonds shall be issued in fully registered form, shall be numbered from R-1 upwards, and shall be in substantially the forms set forth therefor in the Indenture.

Bonds shall be in the denominations of \$5,000 and any multiple thereof, and shall be of a single maturity of the same series; provided that the Fiscal Officer with the approval of the Trustee may authorize issuance of one or more Bonds representing more than one maturity of the same series with appropriate changes in the form of such a Bond to cover more than one maturity, such approval and authorization to be evidenced as provided in the Indenture.

Each Bond shall be dated as of the date of its delivery or exchange; provided that if at the time of authentication of any Bond interest is in default thereon, such Bond shall be dated as of the date to which interest has been paid, and that if Bonds are initially delivered to the Original Purchaser (or any of them), such Bonds shall be dated as of September 15, 1983.

The Bonds being initially delivered to \_\_\_\_\_, as Original Purchaser, shall be \_\_\_\_\_  
( Fully Registered Bond(s) numbered \_\_\_\_\_, shall be in the principal amounts, shall bear interest per annum from their respective dates and shall mature in accordance with the following table:

Principal Maturity Date	Principal Amount Due	Annual Interest Rate	Interest Due
-------------------------	----------------------	----------------------	--------------

except as the provisions hereinafter set forth with respect to redemption prior to maturity may become applicable hereto. Upon any transfer and surrender of any Bond in accordance with the provisions of the Indenture, the Issuer shall execute and deliver a new Bond or Bonds in exchange therefor as provided in the Indenture.

The Bonds are subject to optional redemption, in whole or in part, prior to maturity by the Issuer at the direction of the Company on \_\_\_\_\_, 19\_\_\_\_, or at any time thereafter, in the event of exercise by the Company of its option to prepay the Note in full or in part as provided by Section 6.1(a) of the Loan Agreement in the inverse order of their maturities (less than all of the Bonds of a single maturity to be selected by lot in such manner as may be designated by the Trustee) at the times and at the redemption prices (expressed as a percentage of the principal amount of the Bonds being redeemed) plus accrued interest to the redemption date as set forth below:

_____	to _____	_____%

The Bonds are also subject to optional redemption, in whole or in part, by lot, in the event of the exercise by the Company of its options to prepay the Note in whole or in part as provided by Section 6.1(b) of the Loan Agreement, at a redemption price of 100% of the principal balance of the Bonds to be redeemed on the date of redemption, plus accrued interest to the redemption date. The redemption date in any such event shall be the date set by the Company for prepayment of the Note in accordance with the provisions of such Section 6.1.

The Bonds shall also be callable for redemption in whole or in part, upon occurrence of any of the circumstances which operate to require prepayment of the Note in whole or in part by the Company in accordance with the provisions of Section 6.2 of the Loan Agreement. The redemption date in any of such events shall be the date set by the Company, (or in default thereof, by the Trustee) for the prepayment of the Note in whole or in part in accordance with the provisions of the Loan Agreement. The redemption price in any of such events shall be 100% of the principal balance of the Bonds to be redeemed on the date of redemption, plus accrued interest to the redemption date; provided that upon any call for redemption of the Bonds due to a Determination of Taxability, the redemption price shall be increased by an amount equal to the difference between (a)(i) the aggregate amount of interest which would have been payable on the Bonds if the interest rate on the Bonds, commencing on the date of the Event of Taxability, had been the Taxable Rate of Interest, plus (ii) any penalties and interest payable by the Holders to any taxing authority as a result of the loss of the tax-exempt status of interest on the Bonds, plus (iii) all attorneys fees and other costs incurred by the Holders in contesting or resisting the loss of the tax-exempt status of interest on the Bonds, and (b) the aggregate amount of interest actually paid on the Bonds to the redemption date.

The obligation of the Issuer to make monthly payments of principal and interest on the principal amount of the Bonds which remains outstanding after any partial redemption shall not be affected by such partial redemption, such partial redemption operating instead to pay and redeem the principal of the Bonds at dates earlier than the originally scheduled principal amortization dates, in inverse chronological order.

Notice from the Company to the Trustee that the Note is to be prepaid in whole or in part pursuant to the Agreement shall constitute the direction of the Issuer to the Trustee to call some or all, as the case may be, of the then outstanding Bonds, and no separate notice from the Issuer to the Trustee shall be required.

When less than the entire unmatured portion of the Bonds shall be called for redemption at any time or from time to time, the selection of such Bonds or portions of fully registered Bonds to be called shall be made by lot by the Trustee in such manner as the Trustee may determine.

Notice of the call for any redemption of Bonds, identifying by designation, letters, numbers, or other distinguishing marks, the Bonds (in amounts of \$5,000 or any multiple thereof) or portions of Bonds to be redeemed, the redemption price to be paid, the date fixed for redemption and the place or places where the amounts due upon such redemption are payable, shall be given by the Trustee on behalf of the Issuer by mailing a copy of the redemption notice by registered or certified mail at least thirty days prior to the date fixed for redemption to the holder or holders thereof at the address shown on the registration books kept by the Trustee; provided, however, that failure to give such notice to any Bondholder by mailing, or any defects in such notice to any Bondholder, shall not affect the validity of the proceedings for the redemption of any of the other Bonds. The holder or holders of Bonds may waive any notice of redemption in writing, and in such event, no notice of any kind need be given with respect to the Bonds of such holder or holders to be so redeemed.

All Bond Service Charges shall be payable by check or draft drawn upon the Trustee and mailed or delivered to the Bondholder at its address as shown on the Bond registration books to be kept by the Trustee; provided however that the final Bond Service Charges shall be payable at the corporate trust office of the Trustee upon presentation and surrender of the Bond at such office. All payments of Bond Service Charges shall be made in lawful money of the United States of America, without deduction for services as paying agent. In addition, upon acceleration of the Bond, the amounts payable upon such

acceleration, together with interest thereon at the Interest Rate for Advances from the date of acceleration, shall continue as an obligation of the Issuer until paid. All payments from the Issuer referred to herein shall be payable solely from the Pledged Receipts.

All Bonds shall bear such designation as may be necessary to distinguish them from Bonds of any other series.

If Bonds or portions thereof are duly called for redemption and if on such redemption date moneys for the redemption of all the Bonds to be redeemed, together with accrued interest to the redemption date, shall be held by the Trustee so as to be available therefor, then from and after such redemption date such Bonds or portions thereof shall cease to bear interest.

The Bonds shall be executed on behalf of the Issuer by the Executive and by the Fiscal Officer, provided that any or all of such signatures may be facsimiles, and the seal of the Issuer shall be impressed thereon or a facsimile of such seal placed thereon. In case any officer whose signature or a facsimile thereof shall appear on any Bond, shall cease to be such officer before the issuance, authentication or delivery of the Bond, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until after that time.

**Section 5. Security for the Bonds.** As provided herein, the Bonds shall be payable solely from the Bond Fund and the Pledged Receipts and secured by a pledge of and lien on the Pledged Receipts and the Bond Fund, and shall be further secured by an assignment of the Lease and the Guaranty and Pledge Agreement and the Indenture. Neither the Bond Legislation, the Bonds, the Indenture, nor the Loan Agreement shall represent or constitute a debt or pledge of the faith and credit or the taxing power of the Issuer, and each Bond shall contain on the face thereof a statement to that effect.

**Section 6. Sale of Bonds.** The Bonds are hereby sold and awarded to the Original Purchaser, in accordance with its offer therefor at a net purchase price of \_\_\_\_\_% of the principal amount of the Bonds to be purchased by it, aggregating \$\_\_\_\_\_, plus accrued interest from the date of the Bonds. The Executive and the Fiscal Officer are authorized and directed to make on behalf of the Issuer the necessary arrangements with the Original Purchaser to establish the date, location, procedure and conditions for the delivery of the Bonds to such Original Purchaser, and to take all steps necessary to effect due execution, authentication and delivery to the Original Purchaser of the Bonds purchased by it under the terms of this Bond Legislation and the Indenture. It is hereby determined that the price for and the terms of the Bonds, and the sale thereof, all as provided in this Bond Legislation, are in the best interest of the Issuer and consistent with all legal requirements.

**Section 7. Allocation of Proceeds of Bond - Acquisition Fund.** There is hereby created by the Issuer and ordered maintained, as a separate deposit account (except when invested as hereinafter provided) in the custody of the Trustee, a trust fund in the name of the Issuer to be designated "City of Fort Wayne - Kekionga Development Corporation Acquisition Fund". All of the sums from the sale of the Bonds, except accrued interest on the Bonds, shall be deposited in the Acquisition Fund and disbursed by the Trustee in accordance with the Loan Agreement. The Trustee is authorized and directed to issue its check for each such disbursement. The moneys to the credit of the Acquisition Fund (including the proceeds from the sale of investments thereof) shall, pending applications thereof as above set forth, be subject to a lien and charge in favor of the Holder.

**Section 8. Source of Payment - Bond Fund.** As provided in the Agreement, Note Payments, sufficient in time and amount to pay the Bond Service Charges as they come due, are to be paid by the Company directly to the Trustee for the account of the Issuer and deposited in the Bond Fund.

There is hereby created by the Issuer and ordered maintained, as a separate deposit account (except when invested as hereinafter provided) in the custody of the Trustee, a trust fund to be designated "City of Fort Wayne - Kekionga Development Corporation Bond Fund". The Bond Fund and the moneys therein are hereby pledged to and shall be used solely and exclusively for the payment of Bond Service Charges as they fall due at stated maturity or by amortization or redemption, all as provided herein and in the Indenture and the Agreement. Except as otherwise provided in this Bond Legislation, there shall be deposited into the Bond Fund, as and when received, all Pledged Receipts.

The Issuer covenants and agrees that, until Payment in Full of the Bonds, it will deposit or cause to be deposited in the Bond Fund Pledged Receipts sufficient in time and amount to pay the Bond Service Charges as the same become due and payable, and to this end the Issuer covenants and agrees that it will diligently and promptly proceed in good faith and use its best efforts to enforce the Agreement and that, should there be an event of default under the Agreement, the Issuer shall fully cooperate with the Trustee and with the Bondholder to fully protect the rights and security of the Bondholder hereunder. Nothing herein shall be construed as requiring the Issuer to use or apply to the payment of Bond Service Charges any funds other than the Bond Fund and the Acquisition Fund or revenues from any source other than Pledged Receipts.

The Issuer covenants and agrees, whenever the moneys and investments in the Bond Fund (or otherwise held by the Trustee for such purpose) are sufficient in amount to redeem the entire principal amount of the Bonds then outstanding and to pay interest to accrue thereon to the date or dates of such redemption, and any applicable premiums, to take and cause to be taken, upon notification by the Company or the Trustee, the necessary steps to redeem the Bonds on the next succeeding redemption date or dates for which the required notice of call for redemption may be given.

**Section 9. Guaranty and Pledge Agreement.** It is hereby further determined to be necessary to, and the Issuer shall, by and through the City of Fort Wayne, Indiana Light and Power Utility Fund, enter into a Limited Guaranty and Pledge Agreement in favor of the Trustee under the terms of which the Issuer shall set aside from said Light and Power Utility Fund (the "Fund") the initial sum of \$1,000,000, which amount shall be segregated from the balance of monies, securities and other assets of the Fund and pledged to secure payment by the Company of the principal amount of the Note and, further, to secure payment to the Bondholders of the principal amount of the Bonds.

The Controller of the Issuer is hereby authorized and directed to segregate and set aside from the Fund the sum of \$1,000,000, which amount is to be held for, and dedicated to the purpose of securing the Note and the Bonds in accordance with the terms of the Guaranty and Pledge Agreement.

The Guaranty and Pledge Agreement shall be in the form of the Limited Guaranty and Pledge Agreement attached hereto as Exhibit "A", and the terms and conditions thereof are hereby specifically authorized and approved. Except to the extent that assets of the Fund are segregated and held for and dedicated to the purpose of securing payment of the Note and the Bonds all in accordance with the terms of the Guaranty and Pledge Agreement, the Guaranty and Pledge Agreement shall not represent or constitute a debt or pledge of the faith and credit or the taxing power of the Issuer.

**Section 10. Covenants of Issuer.** In addition to other covenants of the Issuer in the Bond Legislation and the Indenture, the Issuer further covenants and agrees as follows:

(a) **Payment of Bond Service Charges.** The Issuer will, solely from the sources herein provided, pay or cause to

be paid the Bond Service Charges on the Bonds on the dates, at the places and in the manner provided herein and in the Bonds.

(b) Performance of Covenants, Authority and Actions. The Issuer will at all times faithfully observe and perform all agreements, covenants, undertakings, stipulations and provisions contained in the Bond Legislation, the Agreement, the Guaranty and Pledge Agreement, the Indenture and the Bonds, and required therein to be observed and performed by the Issuer. The Issuer warrants and covenants that it is, and upon delivery of the Bonds will be, duly authorized by the Constitution and laws of the State, including particularly and without limitation the Act, to issue the Bonds, to execute the Indenture, the Agreement, the assignment of the Note, and the Guaranty and Pledge Agreement and to provide the security for payment of the Bond Service Charges in the manner and to the extent herein, in the Indenture and in the Guaranty and Pledge Agreement set forth; that all actions on its part for the issuance of the Bonds, and the execution and delivery of the Indenture, the Agreement, the assignment of the Note and the Guaranty and Pledge Agreement, have been or will be duly and effectively taken; and that the Bonds will be valid, binding and enforceable special obligations of the Issuer according to the terms thereof. Each provision of the Bond Legislation, Indenture, the Agreement, the Guaranty and Pledge Agreement and the Bonds is binding upon each such officer of the Issuer as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duties required by such provision.

(c) Pledged Receipts. Except as otherwise provided in the Bond Legislation, Indenture and Agreement, the Issuer will not make any pledge or assignment of or create any lien or encumbrance upon the Acquisition Fund, the Bond Fund or the Pledged Receipts, other than the pledge and assignment thereof under the Bond Legislation, Indenture and Agreement.

(d) Recordings and Filings. The Issuer will cooperate in causing all necessary financing statements, amendments thereto, continuation statements and instruments of similar character relating to the pledges and assignments made by the Issuer to secure the Bonds, to be recorded or filed in such manner and in such places as and to the extent required by law in order to fully preserve and protect the security of the Holder and the rights of the Trustee under the Indenture; and in pursuance thereof the Company has covenanted to cause to be delivered to the Trustee certain opinions of counsel, all as set forth in Section 5.11 of the Agreement.

(e) Inspection of Project Books. All books and documents in the Issuer's possession relating to the Project or to the Pledged Receipts shall at all reasonable times be open to inspection by such employees, accountants or other agents of the Trustee as the Trustee may from time to time designate.

(f) Maintenance of Agreement. The Issuer shall do all things and take all actions on its part necessary to comply with the obligations, duties and responsibilities on the part of the Issuer under the Agreement, and will take all actions within its authority to maintain the Agreement in effect in accordance with the terms thereof and to enforce and protect the rights of the Issuer thereunder, including actions at law and in equity, as may be appropriate.

(g) Rights under Agreement. The Trustee, in its name or in the name of the Issuer, may, for and on behalf of the Bondholder, enforce all rights of the Issuer and all obligations of the Company under and pursuant to the Agreement, whether or not the Issuer is in default of the pursuit or enforcement of such rights and obligations.

(h) Arbitrage Provisions. The Issuer will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the Bonds are delivered to the Original Purchaser, so that they will not constitute arbitrage bonds under Section 103(c) of the Code and the applicable regulations prescribed under that section. The Fiscal Officer or any other officer having responsibility with respect to the issuance of the Bonds is authorized and directed, alone or in conjunction with any of the foregoing or with any other officer, employee, consultant or agent of the Issuer, or any officer of the Company, and upon receipt of satisfactory indemnities from the Company, to give an appropriate certificate on behalf of the Issuer, for inclusion in the transcript of proceedings for the Bonds, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to such Section 103(c) and regulations thereunder.

Section II. Investment of Bond Fund and Acquisition Fund Money. Moneys in the Bond Fund and the Acquisition Fund shall be invested and reinvested by the Trustee in any Eligible Investments, in accordance with and subject to any written orders, or oral orders confirmed promptly in writing, of the Authorized Company Representative with respect thereto, provided that investments of moneys in the Bond Fund shall mature or be redeemable at the option of the Trustee at the times and in the amounts necessary to provide moneys hereunder to pay Bond Service Charges as they fall due at stated maturity or by amortization or redemption, and that each investment of moneys in the Acquisition Fund shall in any event mature or be redeemable at the option of the Trustee at such time as may be necessary to make timely payments from such Fund. Subject to any such orders with respect thereto, the Trustee may from time to time sell such investments and reinvest the proceeds therefrom in Eligible Investments maturing or redeemable as aforesaid. Any such investments may be purchased from the Trustee. The Trustee shall sell or redeem investments standing to the credit of the Bond Fund to produce sufficient moneys hereunder at the times required for the purposes of paying Bond Service Charges when due as aforesaid. An investment made from moneys credited to the Bond Fund or Acquisition Fund shall constitute part of that respective Fund and such respective Fund shall be credited with all proceeds of sale and income or loss from such investment. The Company has covenanted in the Agreement to restrict the use of the proceeds of the Bonds so that they will not constitute arbitrage bonds under the Code.

Section I2. Authorization of Agreement, Indenture, Assignment and Guaranty and Pledge Agreement. In order to better secure the payment of the Bond Service Charges as the same shall become due and payable, the Executive and the Fiscal Officer are hereby authorized and directed to execute, acknowledge and deliver, on behalf of the Issuer, the Agreement, the Indenture and the Assignment of the Note, in substantially the forms submitted to this Issuing Authority, and the Guaranty and Pledge Agreement in the form attached hereto as Exhibit "A", all of which are hereby approved, with such changes therein not inconsistent with this Bond Legislation and not substantially adverse to the Issuer as may be permitted by the Act and approved by the Legal Officer and by the persons executing the same. The approval of such changes by the Legal Officer and such members, and that such are not substantially adverse to the Issuer, shall be conclusively evidenced by the execution of the Agreement, the Indenture, the Assignment and the Guaranty and Pledge Agreement by such persons.

The Executive and Fiscal Officer are each hereby separately authorized to take any and all actions and to execute such financing statements, election statement, certificates and other instruments that may be necessary or appropriate in the opinion of the Legal Officer and bond counsel, in order to effect the issuance of the Bond and the intent of this Bond Legislation. The Fiscal Officer, or other appropriate officer of the Issuer, shall certify a true transcript of all proceedings had with respect to the issuance of the Bonds, along with such information from the records of the Issuer as is necessary to determine the regularity and validity of the issuance of the Bonds.

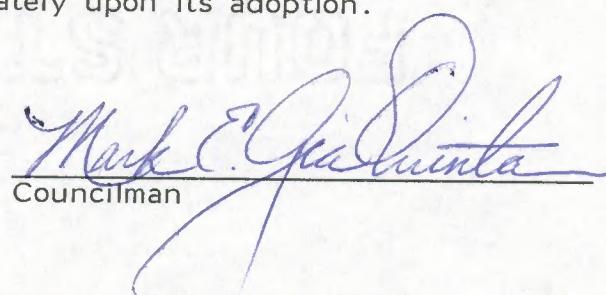
This Bond Legislation shall constitute a part of the Indenture as therein provided and for all purposes of the Indenture, including, without limitation, application to this Bond Legislation of the provisions in the Indenture relating to amendment, modification and supplementation, and provisions for severability.

Section 13. The Issuer and this Common Council, having reviewed a proposed agreement entitled \_\_\_\_\_, and dated \_\_\_\_\_, between the Issuer and the Company (the "KDC Agreement"), a copy of which is attached hereto, made a part hereof, and marked as Exhibit "B", hereby approves the terms and conditions of the KDC Agreement and authorizes its execution by the Executive.

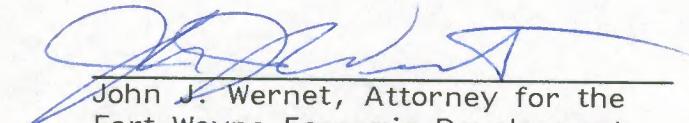
Section 14. The Issuer and this Common Council, having reviewed a proposed Letter of Indemnification dated \_\_\_\_\_, from the Issuer to the Company (the "Letter of Indemnification"), a copy of which is attached hereto, made a part hereof, and marked as Exhibit "C", hereby approves the terms and conditions of the Letter of Indemnification and authorizes its execution by the Executive.

Section 15. In the event that any clause, provision or section of this Special Ordinance, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof, made, assumed, entered into, or taken under this Special Ordinance is for any reason held to be illegal, invalid or inoperable, such illegality, invalidity, or inoperability shall not affect the remainder thereof or any other clause, provision or section or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken thereunder, which shall at the time be construed and enforced as if such illegal or invalid or inoperable portion were not contained therein.

Section 16. Effective Date. This Bond Legislation shall take effect and be in force immediately upon its adoption.

  
Mark E. Galvin  
Councilman

Approved as to form and legality:

  
John J. Wernet, Attorney for the  
Fort Wayne Economic Development  
Commission

Dated this 12<sup>th</sup> day of September, 1983

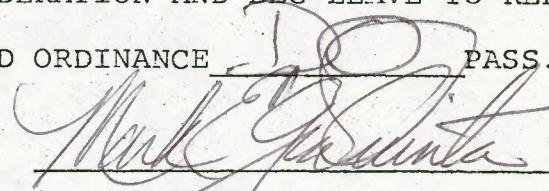
BILL NO. S-83-09-39 *(as amended)*

REPORT OF THE COMMITTEE ON FINANCE

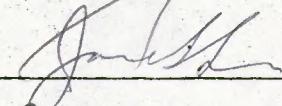
WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS REFERRED AN  
ORDINANCE AUTHORIZING THE ISSUANCE OF \$1,000,000 AGGREGATE  
PRINCIPAL AMOUNT OF ECONOMIC DEVELOPMENT REVENUE BONDS (KEKIONGA  
DEVELOPMENT CORPORATION PROJECT)

HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT  
BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE *D. J. Schmidt* PASS.

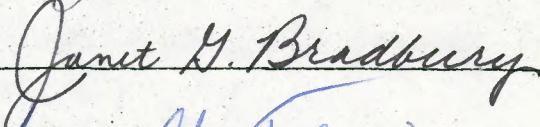
MARK E. GIAQUINTA, CHAIRMAN



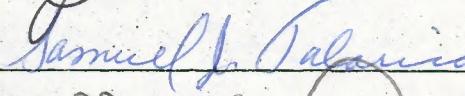
JAMES S. STIER, VICE CHAIRMAN



JANET G. BRADBURY



SAMUEL J. TALARICO



DONALD J. SCHMIDT

